



COUNTY OF LOS ANGELES
TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

August 3, 2006

TELEPHONE
(213) 974-2101

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TO: Kiran Mirza, Legislative Deputy, First Supervisorial District
Clinton Tatum, Senior Deputy, Second Supervisorial District
Genie Chough, Budget Deputy, Third Supervisorial District
Rick Velasquez, Assistant Chief Deputy, Fourth Supervisorial District
Lori Glasgow, Assistant Chief Deputy, Fifth Supervisorial District

FROM: Mark J. Saladino
Treasurer and Tax Collector

SUBJECT: **AGENDA ITEM NO. 45 FOR AUGUST 8, 2006 –
RECOMMENDATION TO APPROVE MASTER AGREEMENT FOR
FINANCIAL ADVISOR SERVICES**

The Treasurer and Tax Collector (TTC) has filed the attached Board letter for the Board of Supervisors' meeting on August 8, 2006, requesting approval of a Master Agreement for Financial Advisor Services. The recommended Master Agreement is for a financial advisor services pool and authorizes the TTC to execute agreements with: Fieldman, Rolapp & Associates (Fieldman); Lamont Financial Services Corporation (Lamont); and Public Resources Advisory Group (PRAG) commencing upon execution following Board approval through June 30, 2007. Thereafter, future amendments to extend the Master Agreement commencing July 1, 2007, for four (4) one-year renewals, and six (6) month-to-month extensions shall be at the sole option and discretion of the Treasurer and Tax Collector in accordance with the terms of the Master Agreement for a maximum renewal of four (4) years and six (6) months.

Since 1995, the TTC has utilized a financial advisor pool program to assist staff with the evaluation of financial proposals, debt structures and debt management relating to the County's debt management program. The current Master Agreement expires on September 30, 2006. Approval of the recommended Master Agreement will enable the continuation of uninterrupted financial advisor services.

In accordance with County contracting procedures and requirements, a Request for Statement of Qualifications (RFSQ) was issued and mailed to seventy-six (76) firms,

which were identified in the Bond Buyer's Municipal Marketplace Directory Spring 2005. Additionally, the RFSQ was posted on the Los Angeles County On-Line Website. Eleven (11) Statements of Qualification (SOQ) were received, four (4) of which were deemed non-responsive and eliminated from further consideration. The remaining seven (7) were evaluated and ranked. Fieldman, Lamont, and PRAG were ranked highest at the conclusion of the evaluation process. These SOQs were complete, detailed, and highly responsive to the RFSQ.

When financial advisor services are utilized for a Board approved project, the costs for the services are included as a cost of issuance in that project. For special studies and other projects not related to a specific project, the total cost for financial advisor services will not exceed \$200,000 for any fiscal year. The TTC has appropriated \$200,000 in its Adopted Budget for FY 2006-07 for these services.

The Master Agreement contains the Board required provisions and the agreement has been approved as to form by County Counsel.

If you have any questions, please contact Glenn Byers, Assistant Treasurer and Tax Collector, at (213) 974-7175.

MJS:EVT:evt
FAS Board Deputy Memo 8-3-06

Attachment



COUNTY OF LOS ANGELES TREASURER AND TAX COLLECTOR

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 437
LOS ANGELES, CA 90012



MARK J. SALADINO
TREASURER AND TAX COLLECTOR

TELEPHONE
(213) 974-2101

FACSIMILE
(213) 626-1812

August 8, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

RECOMMENDATION TO APPROVE MASTER AGREEMENT FOR FINANCIAL ADVISOR SERVICES (3-VOTES)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve the form of Master Agreement, attached hereto in substantially final form and incorporated by this reference, for the financial advisor services pool and authorize the Treasurer and Tax Collector to execute such agreements with Fieldman, Rolapp & Associates (Fieldman), Lamont Financial Services Corporation (Lamont), and Public Resource Advisory Group (PRAG), which shall collectively comprise the Treasurer and Tax Collector's Financial Advisor Pool (and hereinafter referred to as the "Financial Advisor Pool" or the "Firm") commencing upon execution following Board approval through June 30, 2007; and
2. Authorize the Treasurer and Tax Collector to execute amendments to modify the terms of the Scope of Services that do not materially alter the Master Agreement, and/or to add and/or change certain terms and conditions in the Master Agreement as required by the Board of Supervisors or Chief Administrative Officer, provided that County Counsel approval is obtained prior to execution of any such amendments and/or changes.
3. Authorize the Treasurer and Tax Collector to execute future amendments to extend the Master Agreement commencing July 1, 2007, for four (4) one-year renewals, and six (6) month-to-month extensions at the sole option and discretion of the Treasurer and Tax Collector in accordance with the terms of the Master Agreement for a maximum renewal of four (4) years and six (6) months.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Treasurer and Tax Collector (TTC) created the financial advisor pool program in 1995 to assist in evaluating financial proposals, debt structures, and debt management relating to the County's debt management program by utilizing the services of three independent financial advisors.

During the course of a year, the TTC receives numerous proposals recommending a variety of borrowing options. While many of these may provide benefits to the County's debt management program, they often involve significant risks as well. The use of financial advisors has served the County well by providing independent financial analysis, validation of debt structures, and augmented technical expertise. The current financial advisor pool Master Agreement expires on September 30, 2006.

Implementation of Strategic Plan Goals

Implementation of this Financial Advisor Pool will assist the TTC in meeting the County's Strategic Plan Goal of Fiscal Responsibility by providing independent financial analysis, validation of debt structures, augmented technical expertise and other types of projects in which a Firm's services are needed or have been requested.

FISCAL IMPACT/FINANCING

Services are used on an intermittent basis, with most engagements incorporated as a cost of issuance for the financing of specific projects approved by your Board. Engagements for special studies and other projects not related to a specific financing project will not exceed \$200,000 in any fiscal year. An appropriation of \$200,000 for this program has been included in TTC's Adopted Budget for Fiscal Year 2006-07.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Master Agreement attached, in substantially final form, contains the required provisions pertaining to compliance with the County's Jury Service Program, Child Support Program, Consideration of GAIN/GROW Participants for Employment, Recycled Bond Paper, the Safely Surrendered Baby Law, Termination for Non-adherence of County Lobbyist Ordinance, and Determination of Contractor Responsibility and Contractor Debarment. The Treasurer and Tax Collector will execute a separate agreement with each Firm with such additions, changes or corrections that, in his discretion, are in the best interests of the County and the TTC. The term of this financial advisor pool shall commence upon execution by the TTC following your Board approval which will authorize four (4) one-year renewals commencing July 1, 2007, and six (6) month-to-month extensions. The option to

exercise any renewal or extension shall be solely at the discretion of the TTC. The Firms will continue to be used on an as-needed rotational basis, matching the specific needs of the County with the best combination of skills and experience of the Firms. Furthermore, the provision for notification by Contractor when expenditures reach 75% of the Contract Sum has been excluded from the recommended Master Agreement.

The form of Master Agreement has been approved as to form by County Counsel.

There is no impact to County employees as these services supplement current resources and are intermittent in nature.

CONTRACTING PROCESS

In accordance with County contracting procedures and requirements, a Request for Statement of Qualifications (RFSQ) was issued and mailed to seventy-six (76) firms, which were identified in the Bond Buyer's Municipal Marketplace Directory Spring 2005, and listed on Attachment I. Additionally, the RFSQ was posted on the Los Angeles County On-Line Website (formerly known as the County Office of Small Business Countywide Website). Eleven (11) Statements of Qualification (SOQ) were received, four (4) of which were deemed non-responsive and eliminated from further consideration. The remaining seven (7) were evaluated and ranked. Fieldman, Lamont, and PRAG were ranked highest at the conclusion of the evaluation process. These SOQs were complete, detailed, and highly responsive to the RFSQ.

The recommended agreement is not a Proposition A agreement because of the extraordinary professional and technical nature of the services being provided. The Living Wage Program (County Code Chapter 2.201) does not apply to the recommended agreement. Minority and women owner/employee statistics for the seven (7) responding firms are shown in Attachment II. Following the completion of the review and analysis process, Fieldman, Lamont and PRAG were selected without regard to race, gender, color or creed.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The current Master Agreement for financial advisor services is due to expire on September 30, 2006. The recommended attached form of Master Agreement will enable the County to utilize the services of the recommended Firms.

The Honorable Board of Supervisors
August 8, 2006
Page 4

CONCLUSION

Instruct the Executive Officer of the Board of Supervisors to return one (1) adopted stamped Board letter to TTC.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark J. Saladino", followed by a circled "for" in parentheses.

MARK J. SALADINO
Treasurer and Tax Collector

MJS:EVT:evt
FAS Board Letter FINAL 7-19-06

Attachments (3)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

ATTACHMENT I

Aquacena Lopez
A. Lopez & Associates, LLC
300 Frank H. Ogawa Plaza Ste. 229
Oakland, CA 94612

Annette Yee
Annette Yee & Co.
27205 Meadows Road
Carmel, CA 93923

Douglas Dove
Bartle Wells Associates
1889 Alcatraz Drive
Berkeley, CA 94703

Curt De Crinis
C.M. De Crinis & Co., Inc.
11846 Ventura Blvd., Suite 102
Studio City, CA 91604

Chuffed Enterprises
14007 Morrison St.
Sherman Oaks, CA 91423

Josh Cooperman
Cooperman & Dudick
111 Anza Blvd., Suite 107
Burlingame, CA 94010-1932

Cynthia Boutte
3025 West Artesia Blvd
Torrance, CA 90504

Dixon Consulting Company
6760 Meadowlark Lane
Chino, CA 91710

Ruben Mendoza
Estrada, Hinojosa & Co., Inc.
437 J Street, Suite 212
San Diego, CA 92101

Financial Management Consulting
12935 Shiray Ranch Rd.
P.O. Box 9135
Moreno Valley, CA 92553

Terrance Cameron
Acacia Financial Management
672 S. LaBrea Ave.
Los Angeles, CA 90036

Autumn Zamzow
Autumn Capital Investment
Services
24672 San Juan Ave., Ste. 202
Dana Point, CA 92672

Steven Dworkin
Bear, Stearns & Co., Inc.
1999 Avenue of the Stars 31st Flr.
Los Angeles, CA 90067

R. Mark Epstein
California Financial Services
5213 El Mercado Pkwy., Ste. D
Santa Rosa, CA 95403

Peter Kelly
Clover Capital Corporation
1112 Ocean Drive, Suite 101
Manhattan Beach, CA 90266

Cristal F. Cassidy, CPA
P.O. Box 3134
Long Beach, CA 90803

Dale Scott
Dale Scott & Co., Inc.
400 Montgomery St., Suite 805
San Francisco, CA 94104

John Dowdell
Dowdell Financial Services
1545 River Park Dr., Suite 200
Sacramento, CA 95815-4600

David Francis
Federated Investors
1001 Liberty Ave.
Pittsburgh, PA 15222

Russell Goings
First Albany Capital Inc.
445 S Figueroa St., Ste. 2980
Los Angeles, CA 90071

Allan Altura
Imperial Securities Corp.
2333 San Ramon Valley Blvd.,
Ste. 390
San Ramon, CA 94583-4444

Vincent McCarley
Backstrom McCarley Berry & Co.
115 Sansome St. Mezz "A"
San Francisco, CA 94104

Jennifer Branin
Branin Finance
Nine Carnelian
Irvine, CA 92614

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Chilton & Associates, Inc.
1236 Camdem Drive
Los Angeles, CA 90035

Leslie Bond, Jr.
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LLC
468 N. Camden Dr., Ste. 300
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Eugene Slater
CSG Advisors, Inc.
1 Post Street Ste. 2130
San Francisco, CA 94104

Delta Consulting Group, Inc.
401 East Ocean Blvd., Ste. 1010
Long Beach, CA 90802

Edwards, Eichel & Beranek
650 Sierra Madre Villa Ave.
Ste. 202
Pasadena, CA 91107

Timothy Schaefer
Fieldman, Rolapp & Assoc.
19900 MacArthur Blvd. Ste. 1100
Irvine, CA 92612

Jerold Gold
First Southwest Co
21550 Oxnard St., Ste. 860
Woodland Hills, CA 91367

Erik Dingwall
Fund Services Advisors, Inc.
777 S. Figueroa St., Suite 3200
Los Angeles, CA 90017

Lisa Smith
Gardner, Underwood & Bacon, LLC
12121 Wilshire Blvd., Ste. 207
Los Angeles, CA 90025

Global Friendly Technology
Door B 2016 Oak St.
Santa Monica, CA 90405

Lori Raineri
Government Financial Strategies,
Inc.
1228 "N" Street, Ste. 13
Sacramento, CA 95814-5609

Paul Silvern
Hamilton, Rabinovitz & Alschuler,
Inc.
6033 W. Century Blvd., Ste. 890
Los Angeles, CA 90045

Suzanne Harrell
Harrell & Co. Advisors, LLC
333 City Blvd., West, Ste. 1430
Orange, CA 92868

Harris & Associates
811 W. 7th St., Ste. 310
Los Angeles, CA 90017

Independent Capital Management
240 Calle Campesino
San Clemente, CA 92672

Justice For All
14584 Baseline Ave., Ste. 300-333
Fontana, CA 92336

Kare Management Services
11024 Balboa Blvd. #411
Granada Hills, CA 91344

Brandt Webb
Katz Hollis
550 S. Hope St., Ste. 2655
Los Angeles, CA 90071

Ellen Riley
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21550 Oxnard, Ste. 300
Woodland Hills, CA 91367

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Kelling, Northcross & Nobriga
1333 Broadway, Ste. 1000
Oakland, CA 94612

Ray Bishop
Kinsell, Newcomb & De Dios, Inc.
462 Stevens Ave., Ste. 165
Solana Beach, CA 92075

Gary Kitahata
Kitahata & Co.
137 Joost Ave.
San Francisco, CA 94131

Lauren Brock
Kostmont Financial Services, Inc.
601 S. Figueroa St., Ste. 3550
Los Angeles, CA 90017

Thomas Dunphy
Lamont Financial Services, Corp.
3569 Perada Dr.
Walnut Creek, CA 94598

Macias, Gini & Co LLP
515 So. Figueroa St. Ste. 325
Los Angeles, CA 90071

Drew Masterson
Masterson, Moreland, Sauer,
Whisman
121 Main Street, Ste. 2200
Houston, TX 77002

Mentor 4, Inc.
1225 W. 190th ST. Ste. 100
Gardena, CA 90248

Millennium Financial Corp
471 W. Lambert Rd, Ste. 103
Brea, CA 92822

Lyle Defenbaugh
Metwest Financial Advisory
Services
455 Capitol Mall, Ste. 701
Sacramento, CA 95814

Douglas Montague
Montague, Derosé & Assoc.
5743 Corsa Ave., Ste. 205
Westlake Village, CA 91362

LuAnne Edwards
Municipal Capital Management, Inc
3078 E. Sierra Drive
Westlake Village, CA 91362

Kenneth Dieker
Munisoft
1325 Country Club Drive
Modesto, CA 95356

Netresell Incorporated
3875 Wilshire Blvd., Ste. 709
Los Angeles, CA 90010

Andy Ach
Northcross, Hill & Ach, LLC
One Post St., Ste. 2525
San Francisco, CA 94104

Nunez & Associates Inc.
1440 N. Harbor Blvd., Ste. 800
Fullerton, CA 92835

Penny Palmer
PK Advisors, Inc.
Five Mabry Way
San Rafael, CA 94903

Saul Rosenbaum
Prager, McCarthy & Sealy, LLC
One Maritime Plaza, Ste. 1000
San Francisco, CA 94111

Janice Mazyck
Public Financial Management
660 Newport Center Dr., Ste. 750
Newport Beach, CA 92660-6408

Peter Simons
Public Investment Services, Inc.
16133 Ventura Blvd., Ste. 530
Encino, CA 91436-2403

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11845 W. Olympic Blvd., Ste. 640
Los Angeles, CA 90064

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Reiter, Lowry Consultants
11417 W. Bernardo Ct., Ste. A
San Diego, CA 92127-1639

Rodney Gunn
Rod Gunn Associates, Inc.
16371 Bothard St., Ste. A
Huntington Beach, CA 92647-3652

Jim Gunter
Seidler-Fitzgerald Public Finance
515 S. Figueroa St., 11th Floor
Los Angeles, CA 90071-3396

Napoleon Brandford
Siebert Brandford Shank & Co.,
LLC
523 W Sixth St., Ste. 812
Los Angeles, CA 90014

Schafer and Associates
32381 Via Antibes
Dana Point, CA 92629

Hui Thai
Shattuck, Hammon Partnes, Inc.
601 California St., Ste. 2001
San Francisco, CA 94108

Shipp & Mitchell Associates
13123 Casimir Ave.
Gardena, CA 90249

So. Cal. Medlegal Consultants, Inc.
1500 PCH Hwy, Ste. D
Seal Beach, CA 90740

John Bolan
Structured Finance Corp. of
America
17011 Beach Blvd., 9th Floor
Huntington Beach, CA 92647

Jean Marie Buckley
Tamalpais Advisors, Inc.
3030 Bridgeway, Ste. 340
Sausalito, CA 94965

The Diaz Group
P.O. Box 3871
Montebello, CA 90640

Uhuru J. Amaa LLC
600 Wilshire Blvd., Ste. 1200
Los Angeles, CA 90017

William Euphrat
William Euphrat Municipal Finance,
Inc.
3100 Clay Street
San Francisco, CA 94115

**FIRM/ORGANIZATION INFORMATION AS PROVIDED BY PROPOSERS
FINANCIAL ADVISOR SERVICES**

The following information was gathered for statistical purposes only. On final analysis and consideration of award, vendor was selected without regard to gender, race, creed or color.

FIRM INFORMATION	C.M.de Crinis & Co., Inc.		CSG Advisors Incorporated		Fieldman, Rolapp & Associates		Gardner, Underwood & Bacon LLC		Lamont Financial Services Corp.		Montague, DeRose & Associates		Public Resources Advisory Group	
CULTURAL/ETHNIC COMPOSITION	% of Ownership	No.	% of Ownership	No.	% of Ownership	No.	% of Ownership	No.	% of Ownership	No.	% of Ownership	No.	% of Ownership	No.
OWNERS/ PARTNERS:														
Black/African							25.5	2						
Hispanic/Latin											10	1		
Asian American													3.96	2
American Indian/Alaskan														
All others	100%	2	100%	3	100%	6	49%	2	71.72%	2	57%	2	93.09%	11
Women (Included above)							25.50%	1	28.28%	1	33.00%	1	2.95%	3
MANAGERS:														
Black/African			1		1		1						2	
Hispanic/Latin					1									
Asian American			1						1		1		2	
American Indian/Alaskan									1					
All others			1		4				4		3		6	
Women (Included above)			2		1		1		3		0		5	
STAFF:														
Black/African			1		1						1		6	
Hispanic/Latin					1								2	
Asian American							1						3	
American Indian/Alaskan														
All others	1		12		7		1		3		1		7	
Women (Included above)			4		8				3		2		10	
TOTAL NUMBER OF EMPLOYEES	3		19		21		7		12		9		39	
BUSINESS STRUCTURE	Corporation		Corporation		Corporation		Partnership		Corporation		Other		Corporation	
Certified as Minority, Woman, Disadvantaged or Disabled Veteran Business Enterprise?														